

NOTICE OF CRITICAL STATUS FOR 2009 FOR THE LOCAL 840 PENSION FUND

This is to inform you that on March 30, 2009 the actuary for the Local 840 Pension Fund certified to the U.S. Department of the Treasury, and also to the Fund's sponsor, that the Fund is in critical status for its year beginning January 1, 2009. Federal law requires that you receive this notice.

Critical Status: The Trustees have elected to freeze the Fund's 2008 Critical Status for 2009 so as to preserve the Fund's 2008 rehabilitation plan for 2009. In the absence of such an election, the Fund would still be considered to be in Critical Status due to its funding problems. In particular, the Fund is expected to have an accumulated funding deficiency for this and subsequent years.

Rehabilitation Plan and Possible Reduction in Benefits: Federal law requires each pension fund in critical status to adopt a rehabilitation plan aimed at restoring its financial health. As a result, the Trustees adopted a rehabilitation plan on November 25, 2008. (You have a right to receive a copy of the rehabilitation plan on request). And as part of this process, the benefits were changed effective April 1, 2009 and you were notified of this in March 2009. Further, the law permits a pension fund in critical status to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the Trustees of the Local 840 Pension Fund determine that further benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. Reductions in Adjustable Benefits may apply to participants and beneficiaries whose benefit commencement date was on or March 20, 2008. In addition, effective as of March 20, 2008, the Fund is not permitted to pay benefits in a lump sum that are valued in excess of \$5,000 nor may the Fund make payment in excess of the monthly amount paid under a single life annuity while it is in critical status.

Adjustable Benefits: The Fund offers the following adjustable benefits which may be reduced or eliminated, if not in pay status as of March 20, 2008, as part of the rehabilitation plan: post-retirement death benefits, retirement-type subsidies, subsidized early retirement benefits and payment options that are not the Qualified Joint and Survivor Annuity.

Employer Surcharge: The law requires that all contributing employers pay to the Fund a surcharge to help correct the Fund's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Fund under the applicable collective bargaining agreement. A 5% surcharge was applicable in the initial critical year (2008), starting May 10, 2008. A 10% surcharge is applicable for each succeeding calendar year thereafter in which the Fund is in critical status. As a result, starting January 2009, the contributing employers are currently paying a 10% surcharge which will remain in effect until the next collective bargaining agreement becomes effective.

Where to Get More Information: For more information about this Notice, you may contact:

Board of Trustees
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